

Labor and capital. Carroll D. Wright, Commissioner of labor, shows how labor fares under large industrial corporations. Chicago, Ill. Allied printing. [1900].

LABOR AND CAPITAL

Carroll D. Wright, Commissioner of Labor, Shows How Labor Fares Under Large Industrial Corporations.

True to its record for mendacity the Democratic party has raised a hullabaloo on the question of "trusts," and large industrial combinations are characterized as "labor crushers" and "grinding monopolies."

But as is usual with the calamity shrieks of the Democratic party an analysis of the real condition disproves these false assertions and shows conclusively that so far as injury to the worker is concerned, the "trusts," the "labor crushers," and the "grinding monopolies" are a bugaboo.

An investigation recently made by the Department of Labor, the result of which is given in Bulletin No. 29, of July, 1900, demonstrates that not only have the number of employees largely increased and wages advanced, but that the increase in wages paid by combinations for both skilled and unskilled labor was much greater than the increase in private companies; the unskilled laborers receiving an average gain of 19.39 per cent in the combinations as against 16.97 per cent in the private companies; while skilled labor received an average increase of 13.71 per cent from the "trusts," while only receiving an increase of 7.25 per cent in wages from the private companies.

The following table presents a summary of the reports of 13 industrial combinations, ten of them formed in 1898 or 1899, showing the number and per cent of skilled and unskilled employees under each classified rate of wages before and after the formation of the "trusts":

Skilled Laborers.	Unskilled Laborers.	Rate of wages paid per week.	Under uniting companies.	Under combination.	Under uniting companies.	Under combination.	Number.	Per Cent.	Number.	Per cent.	Number.	Per cent.	Number.	Per cent.
		Under \$5	1,477	4.39	1,429	3.55	4,902	11.23						
		6,959	12.84	\$5 or under \$6	2,342	6.96	2,252	5.60	2,720	6.23	2,394	4.42	\$6 or under \$7	2,351
		6.99	2,118	5.27	5,332	12.21	5,195	9.58	\$7 or under \$8	1,256	3.74	1,285	3.20	12,638
		28.94	5,389	9.94	\$8 or under \$9	924	2	75	751	1.87	7,717	17.67	13,477	24.86
		\$9 or under \$10	1,565	4.65	1,514	3.76	7,310	16.74	11,258	20.77	\$10 or under \$15	14,122	41.98	14,344
		35.67	2,971	6.80	9,371	17.28	\$15 or under \$20	4,839	14.39	8,108	20.16	77	.18	171
		.31	\$20 or under \$25	1,606	4.78	2,807	6.98	2	(a)	\$25 or under \$30	1,245	3.70	1,077	2.68
		\$30 or under \$35	933	2.77	1,562	3.88	\$35 or under \$40	92	.27	1,332	3.31	\$40 or under \$45	694	2.06
		281	.70	\$45 or under										

\$50 63 .19 970 2.41 \$50 or over 128 .38 387 .96 Total 33,637 100.00 40,217 100.00 43,669
100.00 54,214 100.00

These figures show a consistent decrease in the number of laborers of the different grades up to \$15.00 per week, while from \$15.00 to \$20.00, and from \$20.00 to \$25.00, the number is practically double when employed by combinations of capital as compared with the number employed at a like rate by the same companies operating independently. The number receiving from \$25.00 to \$30.00 per week decreased slightly, while those paid from \$30.00 to \$35.00 and from \$35.00 to \$40.00, show for the first a substantial, and for the latter an extraordinary increase.

For unskilled laborers the number receiving less than \$5.00 per week has considerably increased, explained, says the Bulletin, by the fact that "the same combination is now putting out its products in a form which requires a great many low-paid employees for packing, wrapping, and labeling. This tends to reduce the average wages of unskilled laborers."

Next are the figures showing the actual money paid for fourteen combinations. These tell the same story:

AVERAGE ANNUAL WAGES OF SKILLED AND UNSKILLED EMPLOYEES OF VARIOUS CLASSES BEFORE AND AFTER THE FORMATION OF THE COMBINATIONS AND THE PER CENT OF INCREASE OR DECREASE, FOR 14 COMBINATIONS.

Marginal	Number.	Skilled	Laborers.	Unskilled	Laborers.	Under uniting	companies.	Under	combination.	Per cent of	increase or	decrease.	Under uniting	companies.	Under	combination.	Per cent of	increase or	decrease.	
1	\$609	\$653	+7.22	\$128	\$433	+1.17	2	661	627	-5.14	435									
3	(a)	(a)	(a)	(a)	(a)	(a)	4	(a)	(a)	(a)	(a)	(a)	5	623	713	+14.45	350	402	+14.86	
6	881						7	703	766	+8.96	497	534	+7.44	8	386	601	+2.56	381	405	+6.30
9	540						10	b ⁴³⁹	b ⁵²⁴	+19.36	b ¹⁸⁰	b ²³³	+29.44	11	b ³⁵⁵	b ⁴⁰⁹	+15.21	b ¹⁷⁰		
12	656	821	+25.15	149	275	+84.56	13	b ¹⁵⁹	b ¹⁶²	+1.89	b ²⁰³	b ²⁰³	.00	14	647	837	+29.37	404	517	+27.97

(a) Not reported.

b Average wages for 6 months.

This table shows, for skilled laborers, an increase in wages by 10 combinations and a decrease by 2, and for unskilled laborers an increase by 11 and a decrease by but 1.

THE FOLLOWING TABLE SHOWS THE NUMBER OF SKILLED AND UNSKILLED EMPLOYEES IN 3 PRIVATE COMPANIES PAID EACH CLASSIFIED RATE OF WAGES PER WEEK, 1897 AND 1899.

Rate of wages paid per week.	Skilled Laborers.	Unskilled Laborers.	1897	1899	1897	1899		
Under \$5	275	375	\$5 or under \$6	116	78	\$6 or under \$7	771	493
\$7 or under \$8	1,981	798	\$8 or under \$9	3,172	3,829	\$9 or under \$10	1,950	3,056
\$10 or under \$15	5,097	7,106	\$15 or under \$20	2,638	3,695	\$20 or under \$25	635	832
\$25 or under \$30	298	368	\$30 or under \$35	227	382	\$35 or under \$40	56	84
\$40 or under \$45	36	66	\$45 or under \$50	32	53	\$50 or over	38	57
Total	11,007	15,699		10,599	14,630			

While an examination of this table shows the same tendency to increased wages and employment, the increase is not nearly so marked as in the cases of the combinations.

These figures, gathered by Mr. Carroll D. Wright, the efficient Commissioner of Labor, who has been at the head of that Bureau through five successive National Administrations, and whose reports are everywhere conceded the highest credence, show beyond cavil that the “trust” monster which the Democratic party has conjured up is, so far at least as the wage-earner is concerned, neither more nor less than a political scarecrow.